

Projections for Planning Purposes Only -- Not to be Used without Updating
2019 Estimated Costs and Returns per Acre
Cotton, Sprinkler Irrigated (Roundup Ready Flex)
Panhandle Extension District - 1

Crop Acres		122		Enterprise	
REVENUE	Quantity	Units	\$/Unit	Total	Total
Cotton Lint	1,500.00	Pound	\$0.68	\$1,020.00	\$124,440.00
Cottonseed	1.13	Ton	\$150.00	\$168.75	\$20,587.50
Total Revenue				\$1,188.75	\$145,027.50
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs					
Custom					
Fertilizer Application	1	Acre	\$5.12	\$5.12	\$624.64
Strip and Module - Cotton	15	CWT	\$12.00	\$180.00	\$21,960.00
Ginning - Cotton	54.95	CWT	\$3.00	\$164.85	\$20,111.70
Fertilizer					
Fertilizer (P) - Dry	65	Pound	\$0.49	\$31.85	\$3,885.70
Fertilizer (N) - Dry	135	Pound	\$0.38	\$51.30	\$6,258.60
Herbicide					
Herbicide and Apply Preplant	1	Acre	\$23.49	\$23.49	\$2,865.78
Herbicide and Apply Postemerge	1	Acre	\$20.15	\$20.15	\$2,458.30
Insecticide					
Insecticide and Apply Cotton	1	Acre	\$9.91	\$9.91	\$1,209.02
Boll Weevil Assessment Irrigated	1	Acre	\$0.73	\$0.73	\$89.06
Miscellaneous					
Crop Insurance Cotton - Irrigated	1	Acre	\$55.00	\$55.00	\$6,710.00
Seed					
Seed - Cotton	0.26	Bag	\$353.05	\$91.79	\$11,198.75
Other Chemicals					
Harvest Aid Apply Cotton Irrigated	1	Acre	\$25.95	\$25.95	\$3,165.90
Irrigation					
Energy Cost	12.00	AcreInch	\$3.40	\$40.80	\$4,977.60
Irrigation Labor	0.77	Hour	\$13.24	\$10.17	\$1,240.54
Machinery Labor					
Tractors/Self-Propelled	0.55	Hour	\$13.03	\$7.17	\$874.31
Other Labor	0.62	Hour	\$13.03	\$8.08	\$985.59
Diesel Fuel					
Tractors/Self-Propelled	2.88	Gallon	\$2.33	\$6.71	\$818.67
Gasoline					
Pickup/General Use Equipment	1	Acre	\$8.19	\$8.19	\$998.75
Repairs & Maintenance					
Pickup/General Use Equipment	1	Acre	\$4.26	\$4.26	\$520.20
Irrigation Equipment	1	Acre	\$45.00	\$45.00	\$5,490.00
Tractors/Self-Propelled	1	Acre	\$5.14	\$5.14	\$626.57
Implements	1	Acre	\$5.09	\$5.09	\$621.09
Interest on Credit Line			6.04%	\$15.05	\$1,836.39
Total Variable Costs				\$815.80	\$99,527.15
Planned Returns Above Variable Costs:				\$372.95	\$45,500.35
Breakeven Price to Cover Variable Costs			\$0.43	Pound	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Pickup/General Use Equipment	1	Acre	\$4.48	\$4.48	\$546.21
Irrigation Equipment	1	Acre	\$33.50	\$33.50	\$4,087.50
Tractors/Self-Propelled	1	Acre	\$4.81	\$4.81	\$587.36
Implements	1	Acre	\$5.94	\$5.94	\$724.44
Equipment Investment					
Pickup/General Use Equipment	\$30.91	Dollars	6.32%	\$1.95	\$238.36
Irrigation Equipment	\$470.29	Dollars	6.32%	\$29.72	\$3,626.10
Tractors/Self-Propelled	\$37.51	Dollars	6.32%	\$2.37	\$289.19
Implements	\$25.84	Dollars	6.32%	\$1.63	\$199.25
Cash Rent - Cotton Irrigated	1	Acre	\$72.00	\$72.00	\$8,784.00
Total Fixed Costs				\$156.41	\$19,082.40
Total Specified Costs				\$972.21	\$118,609.55
Returns Above Specified Costs				\$216.54	\$26,417.95
Breakeven Price to Cover Total Costs			\$0.54	Pound	

Example Breakeven Prices			
Example Yield Percent	Example Yield Pound	To Cover Variable Costs	To Cover Total Costs
75%	1125.00	\$0.58	\$0.71
90%	1350.00	\$0.48	\$0.60
100%	1500.00	\$0.43	\$0.54
110%	1650.00	\$0.39	\$0.49
125%	1875.00	\$0.35	\$0.43

Developed by DeDe Jones, Extension Risk Management Specialist III, Texas A&M AgriLife Extension, 806-677-5600.

Information presented is prepared solely as a general guide and not intended to recognize or predict the costs and returns from any one operation. Brand names are mentioned only as examples and imply no endorsement.